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I. INTRODUCTION

A. Convention provisions

1. These agenda items are derived from Articles 8 and 7.2(k) respectively of the Convention.

2. Article 8:

(a) Establishes that the Convention shall have a secretariat;

(b) Lists the functions of the secretariat;

(c) Provides that "the Conference of the Parties [(COP)] at its first session [(COP 1)], shall designate a permanent secretariat and make arrangements for its functioning" (emphasis and abbreviations added).

3. Article 7.2(k) provides that the COP shall "agree upon and adopt, by consensus, ... financial rules for itself and for any subsidiary bodies."

B. Committee mandate

4. The subject of arrangements for the permanent secretariat (item 6 (a) of the provisional agenda) was considered by the Committee for the first time at its ninth session, on the basis of a note by the interim secretariat (A/AC.237/53). This subject comprises two main elements: the institutional arrangements for the permanent secretariat and its physical location. While there is some interaction between the two points, notably through the issue of "co-location" of related secretariats, they can gain in clarity by being addressed separately. The one does not determine the other; this is exemplified by the present arrangements whereby a number of permanent and interim secretariats of conventions are based in Geneva while being linked institutionally and administratively to organizations based in New York and Nairobi.

5. On the first of these points, the Committee reviewed a number of possible institutional options outlined in the note by the interim secretariat and decided to examine all of them further at its tenth session. It requested the interim secretariat to provide additional information to support that examination, with particular reference to the option that envisages the negotiation of an arrangement to place the permanent secretariat, at least initially, within a host organization. The Committee asked the secretariat, in this context, to explore possible arrangements with the United Nations Secretariat, the United Nations Environment Programme (UNEP) and the United Nations Development Programme (UNDP), including with regard to relevant financial, administrative and staffing provisions. It also asked for summary information on relevant precedents with respect to other conventions and, to the extent possible, indications of the

relevant costs and benefits of the different options. (See the report of the Committee on its ninth session, A/AC.237/55, paras. 119-120.)

6. On the second point, physical location, the Committee considered the possibility of co-locating the Convention secretariat in the same premises as other related secretariats. It requested the interim secretariat to ascertain the content of the offer of accommodation for the permanent secretariat that had been made by the Secretary-General of the World Meteorological Organization (WMO) (A/AC.237/55, para. 120). Furthermore, the Committee took note with great satisfaction of the offers of Uruguay and Switzerland regarding the physical location of the permanent secretariat and decided to consider this matter in the light of its further review of possible institutional arrangements (A/AC.237/55, para. 121).

7. It is relevant to both points that the Committee endorsed the conclusion in the note by the interim secretariat that a transitional period would be required after COP 1 and that the permanent secretariat should thus start operations with effect from 1 January 1996, taking over from the interim secretariat at that point (A/AC.237/55, para. 118).

8. Sub-item 6 (b), relating to financial rules, is on the provisional agenda of the Committee for the first time. It was included by the Committee in the work plan that it adopted at its sixth session (A/AC.237/24, para. 44). This sub-item is understood by the interim secretariat to cover such matters as the scope of the budget for the operation of Convention bodies, including the permanent secretariat; the process for the review and approval of that budget; the sources of funding for that budget, including assessed and voluntary contributions and cost-sharing; and the scale of assessed contributions by Parties. 1/ These questions were dealt with in a preliminary manner in the above-mentioned note by the interim secretariat (A/AC.237/53) and were also alluded to in the discussion thereof by the Committee at its ninth session. Thus, while the sub-item is new, the subject matter is not.

9. Accordingly, the treatment of the two sub-items has been merged in this report and it is suggested that the Committee consider the two together, taking up item 6 as a whole.

C. Scope of the report

1. Institutional arrangements

10. In response to the request of the Committee at its ninth session, the focus of the present report is on institutional arrangements for the permanent secretariat. The report provides (in section III.A) information and a commentary on various aspects of a possible linkage between the permanent secretariat and any one of the three entities identified by the Committee as potential host organizations (that is, the United Nations Secretariat, UNDP and UNEP). It identifies issues that require further exploration. It also deals briefly (in section III.B) with the other institutional options outlined in the previous note and that are still on the table. To set the background for these institutional considerations, the report presents an initial sketch (in

section II) of the possible functions and scale of operations of the permanent secretariat. Additional background is contained in the previous note (A/AC.237/53), which is the foundation of the present report and may be retained as a reference document for the further discussion of this agenda item.

11. The discussion of possible institutional arrangements in the present report includes relevant financial, administrative and staffing aspects, as requested by the Committee. It also advances some managerial and operational considerations, having to do with the need for the permanent secretariat to mobilize financial resources and promote synergy among complementary programmes in support of the implementation of the Convention. The report draws on information obtained through consultations by the Executive Secretary with concerned departments at United Nations Headquarters and with UNDP and UNEP. Relevant extracts of the correspondence between the Executive Secretary and the executive heads of UNDP and UNEP are reproduced in an addendum to this report (A/AC.237/60/Add.1, available in English only). It should be noted that the submissions from UNDP and UNEP, as well as communications from United Nations Headquarters, refer to the role of the respective governing bodies in any agreement to host the permanent secretariat, namely, the UNDP Executive Board, the UNEP Governing Council or the United Nations General Assembly, as the case may be.

12. Information on relevant precedents, including precedents with respect to other conventions, is included at various points in the report. Experience in managing other convention secretariats is reflected in the letter from the Executive Director of UNEP.

13. The consultations with the three potential host organizations have not reached the stage at which it would be possible to assess the relative costs and benefits of the different options that they represent, as requested by the Committee. That would require further clarification, through negotiation, of such questions as the size of the Convention budget, its sources of funding, whether or not certain costs (such as conference services) could be absorbed by the host organization, delegation of managerial and administrative authority, and the rate of overhead to be charged for programme support services. To the extent possible, preliminary indications that have a bearing on relative costs and benefits are provided.

14. It should be understood, however, that all three entities are part of the same United Nations Organization and that differences in costs of similar services from these entities are unlikely to be so great as to be a major factor in the choice among different institutional linkages. Indeed, the characteristics of different physical locations and the facilities offered by potential host Governments are likely to be more significant in terms of relative costs and benefits, whatever the institutional linkage. Moreover, it should also be borne in mind that many of the factors that need to be considered in choosing an institutional linkage cannot be reduced to cost estimates.

15. In the case of the United Nations Secretariat, it has been assumed, for the purpose of this report, that the point of attachment for the Convention secretariat would be the present host of

the interim secretariat, namely, the Department for Policy Coordination and Sustainable Development (DPCSD). This assumption influences the substantive considerations advanced regarding potential programme synergy (see paragraphs 37-38 below). It does not affect the financial, administrative and staffing implications, since these would be the same for any point of anchorage within the central United Nations Secretariat.

2. Physical location

16. With regard to the physical location of the permanent secretariat, the only new information available since the conclusion of the ninth session of the Committee concerns the offer of accommodation in the planned new WMO headquarters building. This information is contained in section IV.B below. Some general considerations regarding co-location are advanced in section IV.A. It is expected that the delegations of Switzerland and Uruguay will present further information concerning their respective offers to the Committee in session.

D. Possible action by the Committee

1. Institutional arrangements

17. In considering possible institutional arrangements for the permanent secretariat, including their financial, administrative, staffing, managerial and operational implications, the Committee may wish to evaluate the information and the commentary in the present report and its addendum against the general criterion of effectiveness in contributing to the implementation of the Convention and against the following broad desiderata for the permanent secretariat that emerged from its discussion of the subject at its ninth session (see A/AC.237/55, para. 114):

(a) Cost-effectiveness and economical operation;

(b) Collaboration and synergy with other related secretariats;

(c) A sound financial base;

(d) Independence, administrative autonomy and flexibility.

18. In the light of this evaluation, the Committee is invited to provide further and more explicit guidance on its preferences regarding such institutional arrangements, limiting as far as possible the range of options that it will retain for further consideration at its eleventh session. It may take into consideration in this context the possibility of an institutional arrangement that builds on the complementarity of the identified host organizations, all of which are part of the United Nations Organization, as well as the option of two or more such entities co-hosting the permanent secretariat.

19. The Committee may also wish to express its views on matters falling under the heading of financial rules, including the scope of the budget for the operation of Convention bodies, including the permanent secretariat; the process for the review and approval of that budget; the sources of funding for that budget, including assessed and voluntary contributions and cost sharing; and the scale of assessed contributions by Parties. The Committee may wish to pay attention to the importance of predictability in payments of contributions and to consider the need for a working capital fund. The question of an appropriate overhead charge for programme support services also merits consideration by the Committee.

20. The Committee may wish to indicate to the Executive Secretary what further work may usefully be undertaken to prepare for the final round of discussion by the Committee on the above matters at its eleventh session and for its recommendation thereon to COP 1.

21. In considering what further steps are needed towards agreement on that recommendation and the possible role of the United Nations Organization in the institutional arrangements for the Convention secretariat, the Committee may bear in mind that the General Assembly at its forthcoming forty-ninth session will consider an item entitled "Protection of global climate for present and future generations of mankind" (item 93 (b) in the provisional list) and that the Secretary-General of the United Nations will submit a report to the Assembly under that item. It may be noted, in this connection, that any arrangement resulting in the Convention secretariat being hosted by the United Nations Secretariat would require a decision by the Assembly.

2. Physical location

22. The Committee may wish to consider further the physical location of the permanent secretariat in the light of its review of institutional arrangements. It may wish to take into account the information on possible hosting arrangements that may be presented by the Governments of Switzerland, Uruguay and any others that may offer to host the secretariat. It may also take into account the possibility of co-locating the permanent secretariat with other related secretariats; one such option is that of co-location in the planned WMO headquarters building.

II. FUNCTIONS AND COST OF THE PERMANENT SECRETARIAT

A. Functions

23. Article 8.2 provides the bare bones of a "job description" for the permanent secretariat. One way of fleshing it out is to extrapolate from the present tasks of the interim secretariat. The recommendation by the Committee that the permanent secretariat be built on the foundations of the interim secretariat (A/AC.237/55, para. 118) supports this approach.

24. The activities of the interim secretariat are significantly more diverse than those of the original ad hoc secretariat, set up under General Assembly resolution 45/212, from which the interim secretariat evolved. They are also, in some cases, qualitatively different. In the negotiation of the Convention, the ad hoc secretariat supported the Committee essentially by facilitating and recording its work, without contributing to the substance of the negotiations. Since the adoption of the Convention, there has been a progressively larger volume of requests from the Committee for substantive inputs to its work on the implementation of the Convention. The first, tentative, input by the secretariat was a note for the seventh session of the Committee, on issues relating to the financial mechanism of the Convention. Since then such papers have become common practice. Discretion continues to be an essential factor in the effectiveness of the secretariat in supporting a Government-led process; but the level of the exposure of the secretariat and of its responsibility, as well as of the extrabudgetary funds that it is using, has increased significantly.

25. It may be expected that this function of substantive support to intergovernmental deliberations will be taken over by the permanent secretariat of the Convention, as one of the services to the COP and its subsidiary bodies covered by Article 8.2(a). It may also be envisaged that the Parties will continue to request substantive inputs from the permanent secretariat when they move back into a negotiating mode.

26. Another qualitative shift may be about to occur. For the last one and a half years, broadly speaking, the interim secretariat has sought to help the Committee to consider and agree how to undertake certain work. Now there is a need to actually do that work, with respect to the first review of communications from Annex I Parties and the review of the adequacy of commitments in Article 4.2(a) and (b). It is possible that the interim secretariat will be asked to contribute to this work in the period between the tenth and eleventh sessions of the Committee. If this trend were to continue, the permanent secretariat might be requested to contribute to such other areas of work as a pilot phase for joint implementation and substantive support for the Subsidiary Body for Scientific and Technological Advice, for example.

27. A third development in the activities of the interim secretariat has been its effort, with other United Nations partners, to mobilize and facilitate activities of technical and financial cooperation with developing and other countries, in support of their implementation of the Convention. The latest stage of this effort is described in another document before the Committee (A/AC.237/75). This is a third potential thrust for the permanent secretariat, corresponding to the provisions of Article 8.2(c) and (e) and Article 12.7. It is also related to work on the financial mechanism of the Convention.

28. Looking ahead and drawing on the experience of the interim secretariat, one can typify the likely activities of the permanent secretariat under a few general functional headings:

- **review of implementation** (support to the COP and subsidiary bodies in: assessing and reviewing scientific, technical, social and economic information;

elaborating methodologies; reviewing national communications; reviewing the implementation of the Convention; operating a multilateral consultative process under Article 13);

- **sustainable development cooperation** (support to the COP in guiding the functioning of the financial mechanism; support for action by Parties to formulate and implement climate change programmes and integrate them with national sustainable development strategies, through financial and technical cooperation; facilitation and monitoring of joint implementation);

- **Convention development** (support for negotiations on amendments and protocols; exploration of new concepts and approaches as an input to negotiations);

- **process management and support services** (planning and organization of intergovernmental processes; relations with Parties and other participants; general legal advice; public information; information systems services);

- **executive direction and overall coordination** (including resource mobilization, collaborative agreements with partner agencies, financial and personnel management, and accountability).

29. Elements of all but the third of these functions are to be found in the present activities of the interim secretariat. See, for example, the description of secretariat activities in annex III of document A/AC.237/61. The way in which staff and other resources can best be deployed to undertake these functions must remain under careful review, to ensure flexibility and effectiveness in responding to changing priorities.

30. Common to all the above functions is the need to undertake collaborative activities with other related secretariats, so as to benefit from synergy, cut costs and provide coherent support to Governments in different international bodies. Openness to such collaboration, indeed the search for it, is another essential factor in secretariat effectiveness. Whatever the institutional linkage negotiated for the permanent secretariat, it would need to ensure that the secretariat and its head can work with, and mobilize inputs from, all partner agencies, entering into such agreements as may be needed for this purpose, consistent with Article 8.2(e) and (f).

B. Cost

31. The scale of operations of the permanent secretariat will evolve in response to the decisions of the COP, the negotiation of new legal instruments and the availability of funds. It may be noted that other international processes with an important function of policy review (see annex to A/AC.237/63) have substantial staffs. In round figures, the estimates for the interim secretariat foresee a staff that rises from the present level of 30 to 40 in 1995; the full provision for "post-COP 1 contingencies" could take this to 50 (see A/AC.237/61, annex III). The staffing

needs for the permanent secretariat in 1996 would depend on the decisions of COP 1. They would also be influenced by decisions to be taken on the availability of conference and administrative services, as well as on physical location.

32. Since staffing is the main cost item in a secretariat that supports an intergovernmental process, the scale of the budget of the permanent secretariat would largely depend on the number of staff. This, in turn, would depend on the staffing needs of a work programme agreed by the COP. If, for example, the COP were to agree on the need for a secretariat with 50 to 55 staff members of all grades, its annual cost would be in the region of US$10 million to US$11 million. This illustrative estimate is based on current costs in Geneva, which is at the upper end of the United Nations scale of post adjustments. The estimate is highly susceptible to fluctuations in the exchange rate between Swiss francs and the US dollar, which is currently well below the standard United Nations rate used for this estimate (Sw F 1.49 to the dollar, as against the current rate of around Sw F 1.35). The estimate includes a 13 per cent "overhead" charge for programme support costs. It does not include :

(a) Any provision for a working capital fund (see paragraph 56 below) or the 15 per cent retention for an operating reserve that is currently set aside from extrabudgetary contributions (see A/AC.237/61, para. 13);

(b) The annual cost of conference services (US$2.0 million to US$3.0 million for four to six weeks of meetings, as estimated in paragraph 61 below);

(c) The annual cost of funding participation in the COP and the subsidiary bodies by representatives of eligible Parties (US$1.5 million to US$2.0 million);

(d) Any contribution to the costs of the scientific and technological assessments that will be needed by the COP (see A/AC.237/53, para. 38, and paragraph 54 below).

33. All these qualifications to the above estimate clearly indicate that it is no more than an illustrative order of magnitude that can be used by Parties to estimate what their individual contributions to a Convention budget might be (see paragraph 53 below and the annex to this report). Alternative estimates, based on different levels of staffing, can also be used for this purpose. However, the scale of resources resulting from the example given emphasizes the importance of the secretariat function of resource mobilization, relating both to financial resources and to collaborative inputs in kind, as well as the need for adequate modalities for programme budget review by the COP and for accountability for the use of these resources.

III. INSTITUTIONAL LINKAGES FOR THE PERMANENT SECRETARIAT

A. Possible arrangements with the United Nations Secretariat, UNDP and UNEP

34. To facilitate comparability, consultations with the United Nations Secretariat, UNDP and UNEP were structured to cover essentially the same ground. Thus, in all three cases, two main issues were considered: first, the substantive links between the possible host organization and the work undertaken under the Convention; and second, organizational and administrative aspects. (See, in the addendum to this report, the list of questions annexed to the letter of 7 April from the Executive Secretary.) As stated in paragraph 15 above, consultations with the United Nations Secretariat focused on a possible linkage with the DPCSD. The issue of the physical location of the permanent secretariat was not discussed in any depth in this round of consultations. It was considered that -- in advance of the examination by the Committee of this issue -- the consultations might better concentrate on substantive and administrative synergy. These, in turn, are relevant to the question of co-location of related secretariats.

35. The information gathered from the consultations is summarized below, together with comments thereon. Written contributions by the executive heads of UNDP and UNEP are contained in the addendum to this report.

1. Substantive synergy

36. All three possible host organizations can provide significant substantive support to the work programme to be undertaken pursuant to the Convention. The focus and content of that support, however, differs considerably among the three.

37. As regards the DPCSD, its main collaborative potential lies in its capacity to provide a close relationship and interaction with intergovernmental and interagency processes directed towards the broad objective of sustainable development. While any linkage with the central United Nations Secretariat would situate the Convention secretariat in a suitably multidisciplinary policy environment, linkage with the DPCSD would place it in direct contact with the follow-up of Agenda 21.

38. The Department is responsible for the follow-up of Agenda 21, through its substantive support for the Commission on Sustainable Development and its leadership of the Inter-Agency Committee on Sustainable Development. The linkages between climate change and Agenda 21 are pervasive. Apart from the evident relevance of Chapter 9 of Agenda 21, "Atmosphere", there are linkages with such areas as poverty, consumption patterns and demographic dynamics (chapters 3, 4 and 5), forests and oceans (chapters 11 and 17), and trade, finance and technology (chapters 1, 33 and 34), to name a few clusters of issues. Work undertaken towards the aims of Agenda 21 in these and other areas can contribute to the achievement of the objective of the Convention, and vice versa. (The question of consistency between the aims of the Convention and those of Agenda 21 is also discussed in document A/AC.237/71.)

39. For its part, UNEP has a mandate -- reflected in Agenda 21, chapter 38, paragraph 22 (h) -- to concentrate, inter alia on coordinating functions arising from an increasing number of international legal agreements. This includes the functioning of the secretariats of such conventions, "taking into account the need for the most efficient use of resources, including possible co-location of secretariats established in the future." In fact, a number of secretariats of conventions administered by UNEP, namely, the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal and the Convention on International Trade in Endangered Species of Wild Fauna and Flora, as well as the interim secretariat of the Convention on Biological Diversity, are already co-located in the same building in Geneva -- the building that also houses the interim secretariats of the Framework Convention on Climate Change and of the Convention to Combat Desertification.

40. Beyond the relative advantages of co-location with other conventions (see paragraph 76 below), UNEP can provide substantive support to the Convention secretariat through its own in-house programmes on atmosphere, ozone, energy, terrestrial ecosystems, global monitoring and environmental law, which are at different stages of development. Resource considerations would, of course, affect the rate of that development and thus the depth of that support; but this constraint also applies to other host organizations.

41. The main substantive contribution of UNDP lies in its country network. Through its 131 offices throughout the world, and through its emphasis on capacity building and assistance in policy-making, UNDP can assist developing countries and countries with economies in transition in implementing their commitments under the Convention and in integrating this action with national strategies for sustainable development. It should be noted in this regard that UNDP has recently added over 40 posts of "sustainable development advisers" to its country network in order to strengthen its capacity in the field of sustainable development and environment. Moreover, the Administrator of UNDP has recently been entrusted with new responsibilities within the United Nations relating inter alia to the coordination of operational activities for development throughout the United Nations system.

42. It may be remarked that, while the scope of the Convention is global, the mandate of UNDP is by definition directed towards the developing world and also, more recently, towards countries with economies in transition. However, it is unlikely that other countries would require much support from the United Nations system in formulating and implementing national climate change programmes. Thus, the particular focus of the UNDP mandate is consistent with the substantive needs of the Convention.

43. These thumbnail sketches of the three possible host organizations mention both their mandates and their capacities. Mandates are set in different organizations by more or less the same Governments and need to be kept under review by those Governments to ensure their continuing relevance and coherence. For the most part, the mandates indicated above originate from, or were reviewed by, the United Nations Conference on Environment and Development in 1992. Actual programme capacities are at least as important as mandates. Those of the three

organizations, while differing in thrust and in depth, are to a large extent complementary in their potential to provide substantive support to the implementation of the Convention.

44. This complementarity, and the fact that the three entities are part of the United Nations Organization under the common authority of its Secretary-General, leads to the conclusion that, whatever the institutional linkage that may be decided for the permanent secretariat, it should permit and encourage that secretariat to draw upon the capacities of all three programmes in a way that maximizes their synergy in support of the Convention. If this is taken as given, one could go so far as to suggest that the actual choice of institutional anchorage should not have a material effect on the substantive support for the Convention. (See A/AC.237/53, para. 24.) In such a perspective, organizational and administrative criteria, with their related synergy, may become more critical as factors of that choice.

2. Organizational and administrative considerations

45. Issues of cost and of cost-effectiveness in relation to institutional linkages are affected by matters which have not yet been dealt with by the Committee, or on which no decision has as yet been taken. First and foremost among them is the manner in which resources for the functioning of the secretariat are to be obtained -- that is through assessed contributions, voluntary contributions, cost sharing or a mix of all. The size of the permanent secretariat and the level of the budget are also germane to this question. Another relevant issue is the identity of the permanent secretariat within the host organization, and the degree of authority it should enjoy in personnel and financial matters. The prospect of cost sharing would be influenced by the degree to which the membership of the Convention differs from that of the host organization concerned. In the absence of further information and decisions on these matters, it has not been feasible to obtain precise data on the possible cost to the Parties of alternative institutional linkages. Furthermore, all views put forward by the three organizations concerned in this initial consultation process are necessarily ad referendum, since any additional resources required by them to provide support to the permanent secretariat would require the approval of the respective intergovernmental body or bodies.

46. In order to facilitate consideration of organizational and administrative matters, the material has been organized under the following specific heads.

(a) Financial resources

(i) Cost sharing with a host organization

47. In the previous note on the subject of the permanent secretariat, the possibility was raised of the host organization making a contribution in kind by sharing costs. Infrastructural services, including administrative and conference services, were the main category of costs mentioned in this connection; certain staff costs were another (see A/AC.237/53, paras. 30-35). In general, the consultations confirmed the statement, also contained in that note, that "normally, the Parties to a

Convention are responsible for meeting its operating costs" (A/AC.237/53, para. 30). Any variations from that norm would have to be requested by the COP and approved by the relevant governing body.

48. Nevertheless, the possibility of staff secondments from the host organization remains open. At present, the interim secretariat is benefiting from staff secondments from two of the three entities (the DPCSD and UNEP), as well as from WMO (see A/AC.237/61, paras. 14 and 17). The Administrator of UNDP mentioned the possibility of such secondments in his letter to the Executive Secretary. All these possibilities would need to be explored by the permanent secretariat. It may be necessary for the COP to make a formal request for such support to the governing body concerned; in the case of WMO, an approach to its Executive Council would be in order.

49. The only practical possibility of conference servicing costs being absorbed by a host organization appears to lie in a linkage with the United Nations Secretariat. Neither of the other two organizations have a sufficiently large budget for conference services to be able to absorb the costs of some four to six weeks of meetings annually. Even in the case of the United Nations, though, this would require a formal request by the COP to the General Assembly. The positive outcome of such a request could not be taken for granted, although the decision of the General Assembly to cover the conference servicing costs of COP 1 is encouraging (see General Assembly resolution 48/189, para. 3).

50. Some compensation for the responsibility of Parties to bear the full costs of their Convention is that this permits greater efficiency in their budgetary decisions, greater transparency in the use of funds and greater accountability for their use. Another relevant point is that participation in the Convention is such that there is likely to be little difference between the United Nations scale of budgetary assessments and a scale of assessment for Parties (see paragraph 53 below).

(ii) Assessed and voluntary contributions

51. As indicated in the previous note on the subject of the permanent secretariat (A/AC.237/53, para. 36), voluntary contributions would not provide the sound financial base which the Committee has identified as one of the desiderata for the permanent secretariat (see paragraph 17 above). An assessed budget is a necessary, though not sufficient, condition for predictability.

52. Voluntary contributions can, however, continue to play an important supplementary role, for example:

- to finance the participation of delegates from developing country Parties and other eligible Parties in sessions of the COP and of expert representatives from such Parties in the subsidiary bodies;

- to provide additional funding for secretariat activities, for example, those aimed at facilitating assistance to the above-mentioned Parties in implementing the Convention.

53. The annex to this document shows the scale of assessment for the United Nations for 1994, together with two other scales -- shown for illustrative purposes -- that adjust the United Nations scale to include 86 actual and potential States Parties (as at 29 July 1994). Column C of the table shows that the total share of these States in the United Nations scale is 92.15 per cent. Column D shows an adjusted scale with a ceiling of 25 per cent on any single contribution. Column E takes the adjustment further by inserting a floor of 0.015 per cent, thereby excluding all Parties (37 at present) with a contribution of 0.01 per cent. For the sake of the example, it may be noted that:

- a contribution of 0.01 per cent of an assessed budget of US$10 million would amount to US$1,000, that is, not much more than the cost of paying, collecting and administering this sum;

- according to column E, two hypothetical Parties with a United Nations scale of 1 per cent and 10 per cent would have an assessment of 1.12 per cent and 11.23 per cent, respectively;

- the difference between the United Nations scale and columns D and E will decrease as more States become Parties, particularly States with significant shares of the United Nations budget as indicated in column A.

54. A question posed in the previous note may be reformulated here -- that is, whether the assessed contributions from Parties should cover some of the cost of obtaining scientific and technological assessments as inputs to the implementation of the Convention (see A/AC.237/53, para. 38). In the present circumstances, this would involve a contribution by the COP, from its assessed budget, to the budget of the Intergovernmental Panel on Climate Change (IPCC). Such a contribution would have to be governed by an understanding between the two bodies regarding the continued independence of the IPCC assessments (which is a factor of their utility to the COP) and the use of the subsidy for purposes that respond to the needs of the Convention. The IPCC at its tenth session (Nairobi, 10-12 November 1994) will be discussing procedures to make its review process more responsive to these needs in the short term.

(iii) Working capital

55. Experience in both the United Nations Secretariat and UNEP in hosting and administering convention secretariats underlines the difficulty of ensuring predictability in payments of contributions. In both institutional settings, cash flow problems have arisen in cases where the assessments for the convention secretariat concerned were not part of the assessments for the host organization as a whole. Thus, for example, in the case of the United Nations, the

activities related to the Convention on the Elimination of Racial Discrimination (CERD), which was subject to a separate scale of assessments, experienced severe and repeated cash flow problems, owing to late payment or non-payment of assessments, until the General Assembly decided to place the CERD budget within the United Nations regular budget. On the other hand, no special financial problem has arisen in the case of the United Nations Convention on the Law of the Sea (UNCLOS), because its interim secretariat services have been provided within the programme budget of the United Nations. Convention secretariats hosted by UNEP have also experienced significant cash flow problems owing to late receipt of contributions. On several such occasions, UNEP has provided cash advances from the Environment Fund on a reimbursable basis. UNDP, for its part, has not yet hosted a convention secretariat. In any event, such cash flow problems would seem to depend, not so much on the identity of the host organization, but rather on the nature of the assessed contributions, that is, whether they are part of the assessment for the host organization itself, or are on the contrary governed by a special scale for the convention. 2/

56. This experience points to the need for Parties to provide for some sort of working capital fund or other financial buffer in the arrangements for financing the Convention. The level of such a provision would have to be decided and its use subject to special guidance and reporting.

(iv) Administrative and budgetary review

57. As indicated in the previous note, consideration needs to be given to the way in which administrative and budgetary proposals relating to the functioning of the permanent secretariat will be reviewed before they are presented to the COP. A small, representative group of Parties might be set up to carry out such reviews (see A/AC.237/53, para. 41).

(b) Overhead charge

58. Linked to the basic issue of sources of financing, discussed above, is that of overhead costs, that is, costs charged by an organization in respect of services performed for units which are not an integral part of that organization, or that are funded from sources other than its core budget. 3/ The United Nations Secretariat, UNDP and UNEP provide support services to activities which are not part of their core programme budget and all three levy an overhead charge for those services. The United Nations either retains 13 per cent of expenditures from trust funds that it administers or obtains reimbursement of services rendered to entities that are entirely funded outside its regular budget. UNEP levies an overhead charge at the rate of 13 per cent. UNDP negotiates the rate, which could be lower or higher than 13 per cent. Therefore, if the Convention were to be funded from sources other than the regular United Nations or UNEP budget, or outside the UNDP administrative budget, provision for an overhead charge in the area of 13 per cent of estimated expenditures would need to be included in the Convention budget in respect of reimbursement to the host organization for provision of support services.

59. An overhead charge of 13 per cent is in fact currently factored into the estimates prepared by the interim secretariat, including that in paragraph 32 above. The possibility of negotiating a lower rate for the permanent secretariat would have to be explored.

(c) Conference services

60. According to Article 7.4 of the Convention, the COP will normally meet once every year. Articles 9 and 10 provide that each of the two subsidiary bodies established by the Convention "shall report regularly to the Conference of the Parties". While these latter provisions do not establish a periodicity for the meetings of the subsidiary bodies, it is reasonable to assume that they will each meet at least once a year. In addition, there may be a need for meetings of ad hoc bodies. Thus, a basic pattern of meetings might be set at the level of four to six meeting-weeks per year.

61. Requirements for interpretation, translation, document reproduction and distribution and other conference services would entail considerable expenditure, depending, inter alia, on the number of languages for the meeting in question. For illustrative purposes, the United Nations Office at Geneva currently estimates the cost of a two-week meeting in Geneva in 1994, in six languages, with 500 pages of documentation, pre-, in- and post-session, at US$810,000. This estimate excludes rental of conference rooms and offices and programme support costs. The latter, at 13 per cent, would raise this figure to US$930,000. Provision for inflation in 1995 would take it up to US$1 million. On this basis, two to three two-week meetings would cost US$2 million to US$ 3 million. It is thus evident that conference services for sessions of the COP and of its subsidiary bodies would constitute a significant item in the Convention budget, unless, of course, those costs were included in the regular pattern of conferences of the host organization (see paragraph 49 above).

62. Present practice in the United Nations, in terms of provision of conference services to an extrabudgetary activity, is to charge to that activity the estimated full cost of those services. UNEP has a more flexible policy in respect of conference services for the conventions that it administers. It generally charges identifiable additional costs, plus a charge, based on standard costs, for reproduction and distribution of documents. This practice may result in less than "full cost" reimbursement, since "identifiable additional costs" would include, for example, the cost of free-lance staff recruited for the meeting, but not that of regular staff assigned by UNEP to that meeting. Thus, the amount that would be charged by UNEP for a meeting serviced by it in Geneva, with the same parameters as indicated in the preceding paragraph, is estimated at US$730,000 (excluding rentals and programme support costs). It may also be noted that UNEP provides more flexible terms than other organizations for settlement of the costs of meeting services. As regards UNDP, payment by the Convention for meetings services would have to be negotiated, on the assumption that those costs would be borne by the Parties to the Convention.

(d) Other organizational matters, including personnel issues

63. Whether or not the permanent secretariat of the Convention should be a clearly distinguishable organizational unit, regardless of the identity of the host organization, and the degree of autonomy it should possess in personnel and financial matters are questions of considerable importance which have not yet been considered by the Committee other than in very general terms (see A/AC.237/55, para. 114). Precedents exist for a wide variety of institutional arrangements relating to both treaty and non-treaty bodies.

64. In the United Nations, those institutional arrangements range from complete integration of the secretariat of the body concerned into the core structure of the United Nations (as is, for example, the case with the interim arrangements for UNCLOS 4/) to a considerable degree of autonomy (as is, for example, the case with the UNCTAD/GATT International Trade Centre). Obviously, the greater the degree of involvement of the United Nations regular budget in the financial picture, the greater also is the degree of integration into the regular personnel and administrative practices of the United Nations. Even here, however, exceptions may occur. For example, within the United Nations, the Registrar of the International War Crimes Tribunal enjoys a fairly ample degree of autonomy in the recruitment and administration of the staff of the Tribunal, up to and including the D.1 level. The counterpart of such autonomy, in this and other cases, is that the service of the staff thus recruited is limited to the unit concerned.

65. Convention secretariats administered by UNEP preserve their identity as distinct organizational units within UNEP, but are generally fully subject to standard UNEP personnel and administrative procedures. They are managed as integral parts of the decentralized UNEP structure. Their staff may be transferred from or to other UNEP units. UNEP has achieved considerable experience in providing administrative support to these secretariats. UNEP administers the secretariats of the Convention on the Conservation of Migratory Species of Wild Animals (CMS), the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal, the Vienna Convention for the Protection of the Ozone Layer and the related Montreal Protocol on Substances that Deplete the Ozone Layer, the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) and the interim secretariat of the Convention on Biological Diversity. All these secretariats, housed in four different cities in Africa, Europe and North America, are administered centrally from one of these cities (Nairobi). It is understood, however, that UNEP intends to strengthen its administrative capability in its Regional Office for Europe in Geneva, in order to more effectively service the convention secretariats based there.

66. No precedent, in terms of administration of treaty bodies, exists in UNDP. However, UNDP has also developed a decentralized administrative structure, including flexible financial and personnel procedures that respond to a wide range of administrative needs. It indicates that similarly flexible procedures could be tailor-made to fit the needs of the COP and its secretariat.

67. A specific set of organizational issues that require some guidance from the Committee concerns the post of the head of the permanent secretariat (see A/AC.237/53, paras. 29 and 40). The duties and responsibilities of this post will need to be defined. They would include not only the tasks of executive direction and coordination of the activities of the secretariat, but also those of mobilizing resources for its work, negotiating collaboration agreements with partner agencies and rendering account both to the COP and to the host organization. As indicated in the previous secretariat note cited above, the level of the post and its managerial autonomy, as well as the opportunity that it provides to contribute to relevant administrative and budgetary decisions in the host organization, will be factors contributing to the effectiveness of secretariat heads in undertaking these tasks. The formal questions of title and term of office may also merit some consideration. A further issue is the degree of involvement of the COP in the process whereby a head of secretariat is from time to time selected for appointment. Any such involvement would have to be consistent with the rules and procedures of the host organization and with the accountability of the head of the secretariat to the COP and to the host organization.

68. One precedent regarding the designation of the head of a convention secretariat is that of the permanent convention secretariats administered by UNEP. In those cases, the respective Conferences of the Parties (COPs) have entrusted UNEP with the task of providing secretariat services. Thus, in effect, the Executive Director of UNEP is empowered to act as "Secretary-General" at meetings of each COP, in accordance with its rules of procedure, and is accountable to each COP for secretariat services rendered. The management of each convention servicing unit is delegated to a UNEP official, who works within the framework of policy guidance given by the COP in question and receives administrative guidance from the Executive Director. Article 8 of the Convention does not follow this precedent (though it may not preclude it); nor do the draft rules of procedure for the COP (see draft rule 28).

B. Other institutional options

69. As recalled in the introduction, the Committee decided to pursue all the institutional options that were mentioned in the previous secretariat note. The options that have not been covered by the preceding section III.A are:

- A fully independent secretariat (see A/AC.237/53, paras. 13-15);
- A linkage to a specialized agency, such as WMO (see A/AC.237/53 para. 21);
- A distinct entity within the United Nations Secretariat (see A/AC.237/53, para. 22).

70. On the first option, it may be fair to point out that the disadvantage that was seen to lie in its financial exposure (see A/AC.237/53, para.13) appears to be shared with the options discussed in section A above (see paragraph 55 in particular). A further possible consideration

is that full independence would isolate the permanent secretariat from possible negative feedbacks (for example, administrative and/or financial) from the host organization. A recent example of the fully independent option is the Convention on the Prohibition of the Development, Production, Stockpiling and Use of Chemical Weapons and their Destruction, 1992.

71. The third option would provide a high degree of functional autonomy, while keeping the permanent secretariat within an existing administrative structure and a suitably multidisciplinary policy framework. An example of this option is the original secretariat arrangement for UNCLOS, no longer extant (see endnote 4). Reference may also be made to the recent precedent constituted by the secretariat of the Global Environment Facility. The latter is to be functionally independent, while drawing upon three implementing agencies (UNDP, UNEP and the World Bank) and being supported administratively by one of them (the World Bank). Although this precedent is outside the United Nations proper, it involves two United Nations programmes and may contain some useful pointers.

72. Indeed, a new option that has arisen during the consultations of the Executive Secretary is that of the permanent secretariat being co-hosted by those two programmes, namely, UNDP and UNEP. This idea is contained in the letters of the executive heads of these two bodies. It has not yet been examined in detail; its practical effect would need to be clarified. It could presumably apply to other combinations of hosts.

IV. PHYSICAL LOCATION

73. The foregoing overview of administrative and organizational matters does not shed much additional light on the question of the physical location of the secretariat. All three possible host organizations have had long experience in administering units of varying size and complexity scattered throughout the globe -- from complex peace-keeping operations in the case of the United Nations Secretariat, through the variety of UNEP regional offices, programme activity centres and convention secretariats, to the world-wide network of country offices of UNDP. Differences in the treatment of overhead charges or of conference servicing costs, as in administrative flexibility, while requiring closer examination, may not be materially influenced by different physical locations.

A. Co-location

74. The possibility of co-locating the permanent secretariat with other related secretariats was discussed during the ninth session of the Committee. The issue of co-location has been discussed in other forums, including the Commission for Sustainable Development which, at its second session, in 1994, agreed on the need for coordination and more efficient structural arrangements among the secretariats of conventions related to sustainable development.

75. One clear argument for co-location is the convenience of access by delegations to a number of secretariat units located in one place, which cuts costs of travel and communications for delegations. Another argument in its favour is that co-location enables the neighbouring units to reduce their costs by sharing facilities and equipment, such as administrative services, communication and information systems, library services, public information services, and so on.

76. In considering this question further, it is important to bear in mind that there are several possible axes along which co-location can be envisaged and organized. Each would lead to a different grouping of secretariat units, perhaps in a different location. Co-location of convention secretariats is one such axis. The uniting factor, and the main additional source of synergy in such a case, would be the common legal form and procedures of the instruments in question. Conventions which shared similar financial provisions, such as those on climate change and biological diversity, would have further interface. However, substantive linkages among the problems of environment and development addressed by each convention would range in degree from close to tenuous.

77. Other valid axes for co-location could focus on substantive coordination, programme delivery or bureaucratic dynamics (that is, the ability to tap resources and contribute to administrative and budgetary decisions). In all co-location scenarios, however, the assessment of advantages should be tempered by the need to maintain the degree of managerial autonomy considered appropriate for each co-located unit.

78. It should be remarked that the questions of co-location and of institutional linkage are quite distinct. As has already been pointed out, the interim secretariat, institutionally linked to DPCSD, is co-located with a number of units administered by UNEP.

B. Possible accommodation in the new WMO headquarters building

79. The Secretary-General of WMO, addressing the eighth session of the Committee, conveyed the proposal that the COP consider locating the permanent secretariat of the Convention in the planned new WMO headquarters building. This proposal was reiterated at the ninth session (A/AC.237/55, para. 113).

80. The Secretary-General of WMO has also raised this matter with the Executive Council of WMO. In a presentation at the recent 46th session of the Council (7-17 June 1994), the Secretary-General underlined the advantages of co-locating with WMO units that share the interests of that organization in geophysics and the environment. (It is envisaged, for example, that the secretariat of the IPCC would be among these. The possibility of co-locating other relevant secretariats, including that of the Intergovernmental Oceanographic Commission of UNESCO, is being investigated.) The Executive Secretary was invited to contribute to the discussion of this item by the Council. The Council expressed enthusiasm for the concept of such co-location, referring to the synergy between the World Climate Programme and the Convention secretariat.

81. Taking the size of the new WMO headquarters building into account, the Executive Council decided that two floors out of the eight floors of office space should be rented out at the market rate in Geneva. The Executive Council also decided that a part of another floor could be considered for co-location of organizations sharing a common interest with WMO. Such co-location could be proposed on a subsidized basis (about 25 to 40 per cent lower than the market rate).

82. The Secretary-General of WMO has reiterated his proposal that consideration should be given to accommodating the Convention secretariat in the new WMO headquarters premises at a suitable subsidized rent. He advises that the proposed office space will become available during early 1998. The total area available is about 4400 square metres for rental at market rate and 1100 square metres for subsidized rental. The present premises of the interim secretariat, including service areas, occupy approximately 1700 square metres. The needs of the permanent secretariat for office space still have to be assessed.

Notes

1/ According to this understanding of the scope of sub-item 6 (b), the sub-item does not, at least at this stage, call for the preparation and consideration of draft financial regulations and rules. It is assumed that the permanent secretariat will function within the financial and staff regulations and rules of a host organization, covering, inter alia, such questions as authorization of expenditure, audit, contracts and procurement.

2/ The term "assessed contributions", as used in this report, includes pledges made for each budget cycle, in accordance with a scale of contributions agreed upon by the Parties concerned.

3/ If the unit is financed from the core budget, the costs of administering and servicing it are part of that same budget. Those costs may be attributed or apportioned -- depending on the budget presentation -- to the unit itself, or to the central support services of the organization concerned.

4/ After the adoption in 1982 of UNCLOS, which contains no provision regarding a convention secretariat, secretariat services for that Convention were originally provided by a *distinct unit within the United Nations* Secretariat, known as the Office for Ocean Affairs and the Law of the Sea. Its head reported directly to the Secretary-General. In 1992, this arrangement was changed as a result of the restructuring of the United Nations Secretariat. Secretariat services to UNCLOS have since been provided from within the Office of Legal Affairs; the director responsible reports to the head of that Office, the Legal Counsel.

Annex

ILLUSTRATIVE SCALES OF ASSESSED CONTRIBUTIONS TO UNFCCC BUDGET *

Country	A: UN scale	B: Parties	C: Scale for Parties	D: Adjusted < 25	E: 0.015<X<25
Afghanistan	0.01	N	-	-	-
Albania	0.01	N	-	-	-
Algeria	0.16	Y	0.16	0.18	0.18
Andorra	0.01	N	-	-	-
Angola	0.01	N	-	-	-
Antigua and Barbuda	0.01	Y	0.01	0.01	-
Argentina	0.57	Y	0.57	0.64	0.64
Armenia	0.13	Y	0.13	0.15	0.15
Australia	1.51	Y	1.51	1.69	1.70
Austria	0.75	Y	0.75	0.84	0.84
Azerbaijan	0.22	N	-	-	-
Bahamas	0.02	Y	0.02	0.02	0.02
Bahrain	0.03	N	-	-	-
Bangladesh	0.01	Y	0.01	0.01	-
Barbados	0.01	Y	0.01	0.01	-
Belarus	0.48	N	-	-	-
Belgium	1.06	(Y)	1.06	1.18	1.19
Belize	0.01	N	-	-	-
Benin	0.01	Y	0.01	0.01	-
Bhutan	0.01	N	-	-	-
Bolivia	0.01	N	-	-	-
Bosnia and Herzegovina	0.04	N	-	-	-
Botswana	0.01	Y	0.01	0.01	-
Brazil	1.59	Y	1.59	1.78	1.79
Brunei Darussalam	0.03	N	-	-	-
Bulgaria	0.13	N	-	-	-
Burkina Faso	0.01	Y	0.01	0.01	-
Burundi	0.01	N	-	-	-
Cambodia	0.01	N	-	-	-
Cameroon	0.01	N	-	-	-
Canada	3.11	Y	3.11	3.47	3.49
Cape Verde	0.01	N	-	-	-
Central African Republic	0.01	N	-	-	-
Chad	0.01	Y	0.01	0.01	-
Chile	0.08	N	-	-	-
China	0.77	Y	0.77	0.86	0.86
Colombia	0.13	N	-	-	-
Comoros	0.01	N	-	-	-
Congo	0.01	N	-	-	-
Cook Islands	0.01	Y	0.01	0.01	-
Costa Rica	0.01	N	-	-	-

* See last page for explanations of the columns.

ILLUSTRATIVE SCALES OF ASSESSED CONTRIBUTIONS TO UNFCCC BUDGET (continued)

Country	A: UN scale	B: Parties	C: Scale for Parties	D: Adjusted < 25	E: 0.015<X<25
Côte d'Ivoire	0.02	N	-	-	-
Croatia	0.13	N	-	-	-
Cuba	0.09	Y	0.09	0.10	0.10
Cyprus	0.02	N	-	-	-
Czech Republic	0.42	Y	0.42	0.47	0.47
Democratic People's Republic of Korea	0.05	N	-	-	-
Denmark	0.65	Y	0.65	0.73	0.73
Djibouti	0.01	N	-	-	-
Dominica	0.01	Y	0.01	0.01	-
Dominican Republic	0.02	N	-	-	-
Ecuador	0.03	Y	0.03	0.03	0.03
Egypt	0.07	N	-	-	-
El Salvador	0.01	N	-	-	-
Equatorial Guinea	0.01	N	-	-	-
Eritrea	0.01	N	-	-	-
Estonia	0.07	Y	0.07	0.08	0.08
Ethiopia	0.01	Y	0.01	0.01	-
Fiji	0.01	Y	0.01	0.01	-
Finland	0.57	Y	0.57	0.64	0.64
France	6.00	Y	6.00	6.70	6.74
Gabon	0.02	N	-	-	-
Gambia	0.01	Y	0.01	0.01	-
Georgia	0.21	Y	0.21	0.23	0.24
Germany	8.93	Y	8.93	9.97	10.03
Ghana	0.01	N	-	-	-
Greece	0.35	(Y)	0.35	0.39	0.39
Grenada	0.01	N	-	-	-
Guatemala	0.02	N	-	-	-
Guinea	0.01	Y	0.01	0.01	-
Guinea-Bissau	0.01	N	-	-	-
Guyana	0.01	N	-	-	-
Haiti	0.01	N	-	-	-
Holy See	0.01	N	-	-	-
Honduras	0.01	N	-	-	-
Hungary	0.18	Y	0.18	0.20	0.20
Iceland	0.03	Y	0.03	0.03	0.03
India	0.36	Y	0.36	0.40	0.40
Indonesia	0.16	N	-	-	-
Iran (Islamic Republic of)	0.77	N	-	-	-
Iraq	0.13	N	-	-	-
Ireland	0.18	Y	0.18	0.20	0.20
Israel	0.23	N	-	-	-
Italy	4.29	Y	4.29	4.79	4.82

ILLUSTRATIVE SCALES OF ASSESSED CONTRIBUTIONS TO UNFCCC BUDGET (continued)

Country	A: UN scale	B: Parties	C: Scale for Parties	D: Adjusted < 25	E: 0.015<X<25
Jamaica	0.01	N	-	-	
Japan	12.45	Y	12.45	13.91	13.96
Jordan	0.01	Y	0.01	0.01	-
Kazakhstan	0.35	N	-	-	-
Kenya	0.01	N	-	-	-
Kiribati	0.01	N	-	-	-
Kuwait	0.25	N	-	-	-
Kyrgyzstan	0.06	N	-	-	-
Lao People's Democratic Republic	0.01	N	-	-	-
Latvia	0.13	N	-	-	-
Lebanon	0.01	N	-	-	-
Lesotho	0.01	N	-	-	-
Liberia	0.01	N	-	-	-
Libyan Arab Jamahiriya	0.24	N	-	-	-
Liechtenstein	0.01	Y	0.01	0.01	-
Lithuania	0.15	N	-	-	-
Luxembourg	0.06	Y	0.06	0.07	0.07
Madagascar	0.01	N	-	-	-
Malawi	0.01	Y	0.01	0.01	-
Malaysia	0.12	Y	0.12	0.13	0.13
Maldives	0.01	Y	0.01	0.01	-
Mali	0.01	N	-	-	-
Malta	0.01	Y	0.01	0.01	-
Marshall Islands	0.01	Y	0.01	0.01	-
Mauritania	0.01	Y	0.01	0.01	-
Mauritius	0.01	Y	0.01	0.01	-
Mexico	0.88	Y	0.88	0.98	0.99
Micronesia (Federated States of)	0.01	Y	0.01	0.01	-
Monaco	0.01	Y	0.01	0.01	-
Mongolia	0.01	Y	0.01	0.01	-
Morocco	0.03	N	-	-	-
Mozambique	0.01	N	-	-	-
Myanmar	0.01	N	-	-	-
Namibia	0.01	N	-	-	-
Nauru	0.01	Y	0.01	0.01	-
Nepal	0.01	Y	0.01	0.01	-
Netherlands	1.50	Y	1.50	1.68	1.68
New Zealand	0.24	Y	0.24	0.27	0.27
Nicaragua	0.01	N	-	-	-
Niger	0.01	N	-	-	-
Nigeria	0.20	N	-	-	-
Norway	0.55	Y	0.55	0.61	0.62
Oman	0.03	N	-	-	-

ILLUSTRATIVE SCALES OF ASSESSED CONTRIBUTIONS TO UNFCCC BUDGET (continued)

Country	A: UN scale	B: Parties	C: Scale for Parties	D: Adjusted < 25	E: 0.015<X<25
Pakistan	0.06	Y	0.06	0.07	0.07
Panama	0.02	N	-	-	-
Papua New Guinea	0.01	Y	0.01	0.01	-
Paraguay	0.02	Y	0.02	0.02	0.02
Peru	0.06	Y	0.06	0.07	0.07
Philippines	0.07	N	-	-	-
Poland	0.47	Y	0.47	0.52	0.53
Portugal	0.20	Y	0.20	0.22	0.22
Qatar	0.05	N	-	-	-
Republic of Korea	0.69	Y	0.69	0.77	0.77
Republic of Moldova	0.15	N	-	-	-
Romania	0.17	Y	0.17	0.19	0.19
Russian Federation	6.71	(Y)	6.71	7.49	7.54
Rwanda	0.01	N	-	-	-
Saint Kitts and Nevis	0.01	Y	0.01	0.01	-
Saint Lucia	0.01	Y	0.01	0.01	-
Saint Vincent and the Grenadines	0.01	N	-	-	-
Samoa	0.01	N	-	-	-
San Marino	0.01	N	-	-	-
Sao Tome and Principe	0.01	N	-	-	-
Saudi Arabia	0.96	(Y)	0.96	1.07	1.08
Senegal	0.01	N	-	-	-
Seychelles	0.01	Y	0.01	0.01	-
Sierra Leone	0.01	N	-	-	-
Singapore	0.12	N	-	-	-
Slovakia	0.13	N	-	-	-
Slovenia	0.09	N	-	-	-
Solomon Islands	0.01	N	-	-	-
Somalia	0.01	N	-	-	-
South Africa	0.41	N	-	-	-
Spain	1.98	Y	1.98	2.21	2.22
Sri Lanka	0.01	Y	0.01	0.01	-
Sudan	0.01	Y	0.01	0.01	-
Suriname	0.01	N	-	-	-
Swaziland	0.01	N	-	-	-
Sweden	1.11	Y	1.11	1.24	1.25
Switzerland	1.16	Y	1.16	1.30	1.30
Syrian Arab Republic	0.04	N	-	-	-
Tajikistan	0.05	N	-	-	-
Thailand	0.11	N	-	-	-
The Former Yugoslav Republic of Macedonia	0.02	N	-	-	-
Togo	0.01	N	-	-	-
Tonga	0.01	N	-	-	-

ILLUSTRATIVE SCALES OF ASSESSED CONTRIBUTIONS TO UNFCCC BUDGET (continued)

Country	A: UN scale	B: Parties	C: Scale for Parties	D: Adjusted < 25	E: 0.015<X<25
Trinidad and Tobago	0.05	Y	0.05	0.06	0.06
Tunisia	0.03	Y	0.03	0.03	0.03
Turkey	0.27	N	-	-	-
Turkmenistan	0.06	N	-	-	-
Tuvalu	0.01	Y	0.01	0.01	-
Uganda	0.01	Y	0.01	0.01	-
Ukraine	1.87	N	-	-	-
United Arab Emirates	0.21	N	-	-	-
United Kingdom	5.02	Y	5.02	5.61	5.64
United Republic of Tanzania	0.01	N	-	-	-
United States of America	25.00	Y	25.00	25.00	25.00
Uruguay	0.04	N	-	-	-
Uzbekistan	0.26	Y	0.26	0.29	0.29
Vanuatu	0.01	Y	0.01	0.01	-
Venezuela	0.49	N	-	-	-
Viet Nam	0.01	N	-	-	-
Yemen	0.01	N	-	-	-
Yugoslavia	0.14	N	-	-	-
Zaire	0.01	N	-	-	-
Zambia	0.01	Y	0.01	0.01	-
Zimbabwe	0.01	Y	0.01	0.01	-
TOTAL	101.28	86	92.15	100.00	100.00

A: UN scale of assessments for 1994.

B: Parties to the Convention as of 29 July 1994 plus four significant contributors on the UN scale (Belgium, Greece, Russian Federation and Saudi Arabia) that have indicated their intention to become Parties. Not including EEC; assessments for individual EEC member States are shown separately.

C: UN scale of assessments for the Parties to the Convention.

D: Adjusts the UN scale of the Parties to a total of 100%, assuming that no single Party contributes more than 25% [Formula = ((column A)*75)) / ((total column A) -25)].

E: Recalculated scale, assuming that no single Party contributes less than 0.015% or more than 25% (Formula = ((column A)*75)) / ((total column A) - 25 - n(0.01))].